

RECEIVED MAY 26 2005

RELEASE AND
SETTLEMENT AGREEMENT

Document Number

Document Name

THIS RELEASE AND SETTLEMENT AGREEMENT
("RELEASE AND SETTLEMENT AGREEMENT") is entered
into on the date set forth below by and among
James Hampel and Kim Hampel-Schaefer, David
Wardin and Rhonda Wardin, and the Town of East
Troy.

DEFINITIONS

"Town" means the Town of East Troy.

"Hampel" means James Hampel and Kim
Hampel-Schaefer.

"Wardin" means David Wardin and
Rhonda Wardin.

"Hudec" means Patrick Hudec.

"Diamond" means Robert Diamond, Sr.

"RCD" means Rural Community
Development, a Wisconsin general partnership.

"Lot 43" means Lot 43 of Beulah Lake Farms Subdivision
Addition No. 1, being a recorded subdivision located in the SW 1/4 of
the NE 1/4 and part of the NW 1/4 of the SE 1/4 of Section 3, Township
4 North, Range 18 East, in the Town of East Troy, Walworth County
Wisconsin.

"Lot 50" means Lot 50 of Beulah Lake Farms Subdivision
Addition No. 1, being a recorded subdivision located in the SW 1/4 of
the NE 1/4 and part of the NW 1/4 of the SE 1/4 of Section 3, Township
4 North, Range 18 East, in the Town of East Troy, Walworth County
Wisconsin.

"Addition No. 1" means the entirety of Beulah Lake Farms
Subdivision Addition No. 1, being a recorded subdivision located in the
SW 1/4 of the NE 1/4 and part of the NW 1/4 of the SE 1/4 of Section 3,
Township 4 North, Range 18 East, in the Town of East Troy, Walworth
County Wisconsin.

"Member of the General Public" means any person or entity who
is not an owner of a lot located in Addition No. 1, or who is not the
guest, invitee, or licensee of an owner of a lot located in Addition No.
1.

Recording Area

Name and Return Address
Anthony A. Coletti
GODFREY, LEIBSLE, BLACKBOURN &
HOWARTH, S.C.
354 Seymour Court
Elkhorn, Wisconsin 53121

PBFL 00007 and PBFL 00014
Parcel Identification Number (PIN)

This is homestead property.

7 "Public Recreational Easement" means an
8 easement, license, right-of-way, or other property
9 interest, including fee simple, which is used or intended
0 for use by Member(s) of the General Public for any
1 recreational purpose, including, but not limited to,
2 parks, walking (or running) trails or paths, bicycle
3 trails, nature preserves, roadways, paths or trails for
4 go-karts, ATVs, golf carts, or other motorized vehicles,
5 or athletic fields.

6
7 "Public Recreational Trail" means the gravel
8 path now existent upon Lots 43 and 50 and within the
9 bounds of Addition No. 1 which was constructed by the
0 Town for purposes of its use by Members of the General
1 Public for recreational purposes.

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RECITALS

WHEREAS, the Town has claimed a Public
Recreational Easement over, upon, and across Lots 43 and
50, specifically, and within the bounds of Addition No.
1, generally; and

WHEREAS, Hampel and Wardin have contested the
Town's entitlement to a Public Recreational Easement
over, upon, and across Lots 43 and 50, specifically, and
within the bounds of Addition No. 1, generally, and, to
that end, have commenced a civil action seeking
injunctive relief to halt the completion and opening of
the Public Recreational Trail over, upon, and across Lots
43 and 50, specifically, and within the bounds of
Addition No. 1, generally, to-wit, Walworth County
Circuit Court Case No. 03-CV-00603 (Hampel, et al. v.
Town of East Troy, et al.) ("Case No. 03-CV-00603"); and

WHEREAS, it is the intent of the Town to cease
all past and present efforts to construct, complete,
and/or open the Public Recreational Trail over, upon, and
across Lots 43 and 50, specifically, and within the
bounds of Addition No. 1, generally, and to close those
portions of the Public Recreational Trail within the
bounds of Addition No. 1 which are now in existence; and

WHEREAS, nothing in this Release and Settlement
Agreement shall be construed to preclude the Town from
constructing and/or developing a public recreational
trail in the future should the Town acquire such a
property interest by gift, sale, condemnation
proceedings, or other lawful means, except as otherwise
restricted by the terms of this Release and Settlement
Agreement; and

00 WHEREAS, Hampel, Wardin, and the Town have, for
01 valuable consideration, the receipt and sufficiency of
02 which is hereby acknowledged, reached a mutually
03 satisfactory settlement of all claims and causes of
04 action against each other which arise from the Town's
05 assertion of a Public Recreational Easement over, upon,
06 and across Lots 43 and 50, specifically, and within the
07 bounds of Addition No. 1, generally; and

08
09 WHEREAS, it is the specific intent of Hampel
10 and Wardin to preserve, and not release, any and all
11 claims or causes of action that they have or may have,
12 whether asserted to date or not, against Hudec, Diamond,
13 and RCD arising from the Town's efforts to complete
14 and/or open the Public Recreational Trail over, upon, and
15 across Lots 43 and 50, specifically, and within the
16 bounds of Addition No. 1, generally, or the Town's
17 assertion of rights to a Public Recreational Easement,
18 over, upon, and across Lots 43 and 50, specifically, and
19 within the bounds of Addition No. 1, generally, including
20 those claims currently pending against Hudec, Diamond,
21 and RCD in Case No. 03-CV-603;

22
23 NOW THEREFORE, Hampel, Wardin, and the Town
24 hereby agree that:

25
26 RELEASE

27
28 For valuable consideration, the receipt and
29 sufficiency of which is hereby acknowledged, the Town
30 releases, renounces, and disclaims any and all past or
31 present right, claim, title, or interest it had, has, or
32 may have had in and/or to a Public Recreational Easement
33 over, upon, or across Lots 43 and 50, specifically,
34 and/or within the bounds of Addition No. 1, generally.

35
36 While specifically intending that the following
37 enumeration shall not in any way limit the broad, general
38 nature of the Release set forth hereinabove, in making
39 the foregoing Release the Town hereby forever releases,
40 renounces, and foregoes any and all claims, past,
41 present, or future, to a Public Recreational Easement
42 over Lots 43 or 50, specifically, or within the bounds of
43 Addition No. 1, generally, based upon any of the terms,
44 conditions, or provisions of any of the following
45 documents:

- 46
47 1. The Plat of Beulah Lake Farms
48 Subdivision, a recorded subdivision,
49 recorded in the Office of the
50 Register of Deeds for Walworth
51 County, in Cabinet B of Plats, at
52 Slides 145 to 147, inclusive, as

Document No. 290417, on August 4, 1994.

2. The Plat of Beulah Lake Farms Subdivision Addition No. 1, a recorded subdivision, recorded in the Office of the Register of Deeds for Walworth County, in Cabinet C of Plats, at Slides 21(A) to 21(C), inclusive, as Document No. 412825, on April 12, 1994.
3. The Declaration for Covenants, Conditions and Restrictions for Beulah Lake Farms Subdivision (unrecorded), dated May 4, 1993.
4. The Amended Declaration for Covenants, Conditions and Restrictions for Beulah Lake Farms Subdivision, recorded in the Office of the Register of Deeds for Walworth County, in Volume 640 at Pages 2237 to 2272, inclusive, as Document No. 326791, on April 19, 1996.
5. The Second Amended Declaration for Covenants, Conditions and Restrictions for Beulah Lake Farms Subdivision, recorded in the Office of the Register of Deeds for Walworth County, as Document No. 0504674, on March 22, 2002.
6. The Beulah Lake Farms Resolution to Formally Dedicate the Recreational Easement Benefitting the Subdivision and Town of East Troy for Improvement (unrecorded), dated April 12, 1999.

The Town further renounces and releases any and all past, present or future claims to a Public Recreational Easement over, upon, or across Lots 43 and 50, specifically, and/or within the bounds of Addition No. 1, generally, based upon any representations, agreements, or contracts, whether oral or written, by or with any of the following persons or entities:

- a. Robert Diamond, Sr.;
- b. Robert Diamond, Jr.;
- c. Patrick Hudec;

- 108 d. Any partner, general or limited,
109 employee, agent, or authorized
110 representatives of Rural Community
111 Development;
112
113 e. Any partner or employee of Hudac Law
114 Offices, S.C.; and
115
116 f. Any officer, director, or other duly
117 authorized representative of Beulah
118 Lake Farms Property Owner's
119 Association, Inc. (or any other
120 homeowners' association comprised of
121 some or all of the owners of lots in
122 Addition No. 1).
123

124 The Town further agrees that those persons or
125 entities set forth hereinabove did not have and do not
126 have authority to convey any form of a Public
127 Recreational Easement to the Town.
128
129

130 SETTLEMENT AGREEMENT
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132 For valuable consideration, the receipt and
133 sufficiency of which is acknowledged, the Town also
134 agrees to the following terms, conditions, and
135 provisions:
136

137 1. Within 30 days of the execution of this
138 Release and Settlement Agreement, the Town will amend
139 and/or withdraw all portions of pending DNR Grant
140 Applications for construction of a public recreational
141 trail within the bounds of Addition No. 1.
142

143 2. Within 45 days of the execution of this
144 Release and Settlement Agreement, the Town will rescind
145 all resolutions, ordinances, or motions which authorized
146 the construction or opening of the Public Recreational
147 Trail within the bounds of Addition No. 1, or amend said
148 resolutions, ordinances, or motions so as to effect that
149 intent, and/or rescind any resolutions, ordinances, or
150 motions which allocated monies for the construction or
151 operation of the Public Recreational Trail, or reallocate
152 all monies authorized for expenditure for the Public
153 Recreational Trail.
154

155 3. Within 30 days of the execution of this
156 Release and Settlement Agreement, the Town will restore
157 Lot 43 to its preconstruction state, which shall entail
158 the planting of not less than six oak/maple trees within
159 the bounds of the asserted Public Recreational Easement,
160 the removal of all gravel or stone which remains within
161 the bounds of the asserted Public Recreational Easement

upon Lot 43, and the planting of seed or sod upon those areas which were disturbed by the Town's construction activities and/or which were covered with deposits of gravel by the Town pursuant to its efforts to construct the Public Recreational Trail.

4. Within 30 days of the execution of this Release and Settlement Agreement, the Town will place barricades across all entrances to the Public Recreational Trail, post "Trail Closed" signs at all entrances to the existing Public Recreational Trail, and remove any and all signage which suggests in any way that a public recreational trail validly exists over, upon, or across Lots 43 and 50 or within the bounds of Addition No. 1.

5. Within 30 days of the execution of this Release and Settlement Agreement, the Town will pay the sum of One Thousand One Hundred Twenty-five Dollars (\$1,125.00), to Hampel and Wardin. The payment shall be made by check to the Trust Account of Godfrey, Leibale, Blackbourn & Howarth, S.C.

6. Within 14 days of completion of the terms of this Release and Settlement Agreement, Hampel and Wardin will execute the Release attached hereto as Exhibit A.

7. Within 14 days of completion of the terms of this Release and Settlement Agreement, the parties hereto shall stipulate to the dismissal of all claims, causes of action, and defenses asserted against each other in Case No. 03-CV-00603, with prejudice and without costs to any party.

8. It is specifically agreed that Hampel and Wardin retain, and do not release, any and all claims or causes of action they have or may have, whether asserted to date or not, against Hudec, Diamond, or RCD which relate in any way to the Town's efforts to complete and open the Public Recreational Trail over, upon, and across Lots 43 and 50, specifically, and within the bounds of Addition No. 1, generally, or from the Town's assertion of a claim to a Public Recreational Easement over, upon, and across Lots 43 and 50, specifically, and within the bounds of Addition No. 1, generally. It is specifically agreed that this Release and Settlement Agreement shall in no way compromise, reduce, or release any of the claims presently pending against Hudec, Diamond, and RCD in Case No. 03-CV-603.

9. Acknowledgment of Mutual Drafting. The parties acknowledge that they, through counsel, have had a fair opportunity to make modifications to this Release

and Settlement Agreement and, therefore, this Release and Settlement Agreement shall not be construed against one party as drafter.

MISCELLANEOUS PROVISIONS

10. Attorney Fees. The parties agree that if suit be commenced to enforce any of the provisions of this Release and Settlement Agreement, the prevailing party in said suit shall be entitled to recover reasonable attorney fees and costs as set by a court of competent jurisdiction.

11. Binding Effect. This Release and Settlement Agreement shall be binding upon and shall inure to the heirs, successors, assigns, legal representatives, and personal representatives of the parties hereto.

12. Counterparts. This Release and Settlement Agreement, and all other documents or instruments that may be required by this Release and Settlement Agreement, may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. In addition, all such documents may contain more than one counterpart of the signature page, and may be executed by attaching the signatures of each of the signers to one of such counterpart signature pages; all of such counterpart signature pages shall be read as though one, and shall have the same force and effect as though all of the signers had signed a single signature page.

13. Nothing in this Release and Settlement Agreement shall be construed to affect recorded public utility easements within the bounds of Addition No. 1.

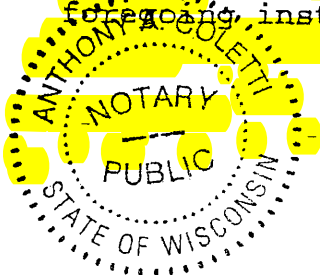
IN WITNESS WHEREOF, the parties have executed this Release and Settlement Agreement this ____ day of May, 2005.

Dated this 20th day of May, 2005.

James Hampel
James Hampel
Kim Hampel-Schaefer
Kim Hampel-Schaefer

STATE OF WISCONSIN)
COUNTY OF Walworth) ss.

Personally came before me this 20th day of May, 2005, the above-named James Hampel and Kim Hampel-Schaefer, to me known to be the persons who executed the foregoing instrument and acknowledged the same.



[Signature]
Notary Public, Walworth County, WI
My Commission Expires: is permanent

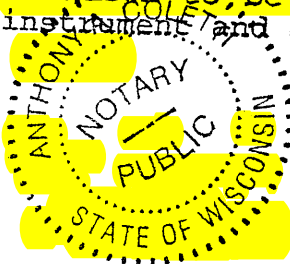
186 Dated this 19th day of May, 2005.

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190 David Wardin
191 David Wardin

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194 Rhonda Wardin
195 Rhonda Wardin

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197 STATE OF WISCONSIN)
198)
199 COUNTY OF Walworth) ss.
200

201 Personally came before me this 19th day of May,
202 2005, the above-named David Wardin and Rhonda Wardin, to
203 me known to be the persons who executed the foregoing
204 instrument and acknowledged the same.
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Notary Public, Walworth County, WI
My Commission ~~Expires~~: is permanent.

TOWN OF EAST TROY

By:

Robert R. Mueller
Robert R. Mueller, Chairman

Attest:

Kim Buchanan
Kim Buchanan, Clerk

STATE OF WISCONSIN)
COUNTY OF WALWORTH) ss.

Personally came before me this 12th day of May, 2005, the above-named Robert R. Mueller and Kimberly Buchanan, Chairman and Clerk, respectively, of the Town of East Troy, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

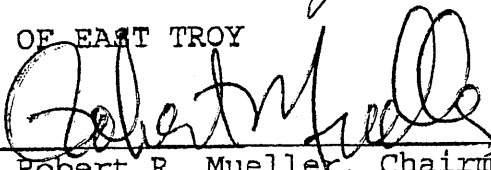
James R. Smith
Notary Public, Walworth County, WI
My commission expires: permanent

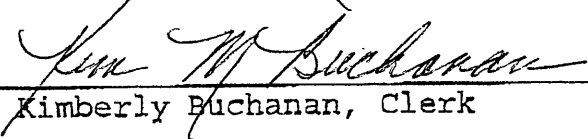
439 RESOLUTION

440
441 BE IT RESOLVED that the foregoing Release and
442 Settlement Agreement has been approved by the Town of
443 East Troy as required by law.

444 Dated this 12 day of May, 2005.

445
446 TOWN OF EAST TROY

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448 By: 
449 Robert R. Mueller, Chairman
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451
452 Attest: 
453 Kimberly Buchanan, Clerk
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471 This instrument was drafted by:

472 Anthony A. Coletti, Esq.
473 GODFREY, LEIBSLE, BLACKBOURN &
474 HOWARTH, S.C.
475 354 Seymour Court
476 Elkhorn, Wisconsin 53121
477 Telephone: (262) 723-3220
478 Facsimile: (262) 723-5121
479 e-mail: acoletti@godfreylaw.com
480

EXHIBIT A

RELEASE

See attached.

RELEASE OF CLAIMS

For good and valuable consideration, the receipt of which is hereby acknowledged, JAMES H. HAMPEL and KIM C. HAMPEL-SCHAEFER (hereinafter referred to as "the Hampels") and DAVID M. WARDIN and RHONDA A. WARDIN (hereinafter referred to as "the Wardins"), do hereby release and discharge the TOWN OF EAST TROY (hereinafter referred to as "the Released Party") from any and all claims and causes of action that they have, or may have, in any way arising out of or related to incidents more particularly described in State of Wisconsin, Walworth County Circuit Court Case Number 03-CV-00603 (collectively, "Claims").

This Release by the Hampels and the Wardins is also made for and binding upon their successors and assigns. By this agreement, any liability of insurers, predecessors, successors, officers, directors, agents, employees or former employees of the Town of East Troy for the Claims is released and discharged; provided, however, that the Hampels and Wardins, their successors and assigns, specifically reserve any and all Claims they have, or may have, against Patrick Hudec and/or Hudec Law Offices, S.C.

This Release fully extinguishes the Claims, including, but not limited to, those for: specific performance; compensatory damages; punitive damages; costs and fees; attorneys' fees; and statutory damage awards. It is understood this Release fully extinguishes the Claims, including known and unknown damages.

The Hampels and the Wardins agree to indemnify the Released Party for any money the Released Party may have to pay to any other person or entity arising out of the Claims, including claims based upon subrogation, derivation, or assignment. Also, the

Hampels and the Wardius will indemnify the Released Party for all expenses, including attorneys' fees, incurred in defending such claims.

The statements in this Release are contractual terms, and are not mere recitals. Any questions concerning this Release shall be determined and governed by the terms of this Release and by the laws of the State of Wisconsin.

I have read this Release, which consists of four (4) pages, and understand its terms, conditions and provisions.

Dated this _____ day of _____, 2005.

By: _____
JAMES H. HAMPEL

Subscribed and sworn to before me this
_____ day of _____, 2005.

NOTARY PUBLIC - State of Wisconsin
My Commission: _____

I have read this Release, which consists of four (4) pages, and understand its terms, conditions and provisions.

Dated this _____ day of _____, 2005.

By: _____
KIM C. HAMPEL-SCHAEFER

Subscribed and sworn to before me this
_____ day of _____, 2005.

NOTARY PUBLIC - State of Wisconsin
My Commission: _____

I have read this Release, which consists of four (4) pages, and understand its terms, conditions and provisions.

Dated this _____ day of _____, 2005.

By: _____
DAVID M. WARDIN

Subscribed and sworn to before me this
_____ day of _____, 2005.

NOTARY PUBLIC - State of Wisconsin
My Commission: _____

I have read this Release, which consists of four (4) pages, and understand its terms, conditions and provisions.

Dated this _____ day of _____, 2005.

By: _____
RHONDA A. WARDIN

Subscribed and sworn to before me this
_____ day of _____, 2005.

NOTARY PUBLIC - State of Wisconsin
My Commission: _____

CONSENT OF ATTORNEY

As attorney for the Hampels and the Wardins, I have reviewed the terms of this settlement, and I consent to this settlement.

Dated this _____ day of _____, 2005.

By: _____
ANTHONY A. COLETTI
State Bar No.: 01018646

RELEASE OF CLAIMS

For good and valuable consideration, the receipt of which is hereby acknowledged, JAMES H. HAMPEL and KIM C. HAMPEL-SCHAEFER (hereinafter referred to as "the Hampels") and DAVID M. WARDIN and RHONDA A. WARDIN (hereinafter referred to as "the Wardins"), do hereby release and discharge the TOWN OF EAST TROY (hereinafter referred to as "the Released Party") from any and all claims and causes of action that they have, or may have, in any way arising out of or related to incidents more particularly described in State of Wisconsin, Walworth County Circuit Court Case Number 03-CV-00603 (collectively, "Claims").

This Release by the Hampels and the Wardins is also made for and binding upon their successors and assigns. By this agreement, any liability of insurers, predecessors, successors, officers, directors, agents, employees or former employees of the Town of East Troy for the Claims is released and discharged; provided, however, that the Hampels and Wardins, their successors and assigns, specifically reserve any and all Claims they have, or may have, against Patrick Hudec and/or Hudec Law Offices, S.C.

This Release fully extinguishes the Claims, including, but not limited to, those for: specific performance; compensatory damages; punitive damages; costs and fees; attorneys' fees; and statutory damage awards. It is understood this Release fully extinguishes the Claims, including known and unknown damages.

The Hampels and the Wardins agree to indemnify the Released Party for any money the Released Party may have to pay to any other person or entity arising out of the Claims, including claims based upon subrogation, derivation, or assignment. Also, the

Hampels and the Wardins will indemnify the Released Party for all expenses, including attorneys' fees, incurred in defending such claims.

The statements in this Release are contractual terms, and are not mere recitals. Any questions concerning this Release shall be determined and governed by the terms of this Release and by the laws of the State of Wisconsin.

I have read this Release, which consists of four (4) pages, and understand its terms, conditions and provisions.

Dated this _____ day of _____, 2005.

By: _____
JAMES H. HAMPEL

Subscribed and sworn to before me this
_____ day of _____, 2005.

NOTARY PUBLIC - State of Wisconsin
My Commission: _____

**I have read this Release, which consists of four (4) pages, and understand
its terms, conditions and provisions.**

Dated this _____ day of _____, 2005.

By: KIM C. HAMPEL-SCHAEFER

Subscribed and sworn to before me this
_____ day of _____, 2005.

NOTARY PUBLIC - State of Wisconsin
My Commission: _____

**I have read this Release, which consists of four (4) pages, and understand
its terms, conditions and provisions.**

Dated this _____ day of _____, 2005.

By: DAVID M. WARDIN

Subscribed and sworn to before me this
_____ day of _____, 2005.

NOTARY PUBLIC - State of Wisconsin
My Commission: _____

I have read this Release, which consists of four (4) pages, and understand its terms, conditions and provisions.

Dated this _____ day of _____, 2005.

By: _____
RHONDA A. WARDIN

Subscribed and sworn to before me this
_____ day of _____, 2005.

NOTARY PUBLIC - State of Wisconsin
My Commission: _____

CONSENT OF ATTORNEY

As attorney for the Hampels and the Wardins, I have reviewed the terms of this settlement, and I consent to this settlement.

Dated this _____ day of _____, 2005.

By: _____
ANTHONY A. COLETTI
State Bar No.: 01018646